

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:5993

ANSWERED ON:03.05.2010

AUCTION OF G SPECTRUM

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**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the Government has finalised the criteria for auction of 3G Spectrum and Broadband Wireless Access (BWA) services in the country;
- (b) if so, the details thereof alongwith the mock auctions likely to be conducted in this regard;
- (c) the details of the companies likely to participate in the bidding process;
- (d) the total amount of proceeds likely to accrue in this regard;
- (e) whether there is any difference of opinion between the Ministries of Defence and Communications and IT regarding auction of spectrum.
- (f) if so, the details thereof; and
- (g) the steps taken for resolving the issue?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) & (b) Yes, Madam. The Government has issued the Notice Inviting Applications (NIA) on 25/2/2010. As per the NIA, the Eligibility criteria for Bidding for 3G Spectrum is as follows:

Any entity:

- (i) that holds a UAS/ Cellular Mobile Telephone Service ("CMTS") licence; or
- (ii) that: (a) has previous experience of running 3G telecom services either directly or through a majority -owned subsidiary; and (b) gives an undertaking to obtain a UAS licence through a New Entrant Nominee UAS Licensee as per the DoT guidelines before starting telecom operations can bid for 3G Spectrum.

As per the NIA, the Eligibility criteria for Bidding for BWA Spectrum are as follows:

Any entity:

- (i) that holds a UAS/ CMTS licence; or
- (ii) that holds an Internet Service Provider ("ISP") licence (category 'A' or 'B'); or
- (iii) that gives an undertaking to obtain a UAS licence through a New Entrant Nominee UAS Licensee as per the DoT guidelines before starting telecom operations; or
- (iv) that gives an undertaking to obtain an ISP Category 'A' licence through a New Entrant Nominee ISP Licensee as per the DoT guidelines before starting telecom operations can bid for BWA Spectrum

A mock auction was conducted for the pre-qualified bidders in the 3G and BWA Auctions on 5th April, 2010, as per schedule provided in the NIA.

(c) List is given in the Annexure.

(d) The estimated revenue from 3G auction is around Rs.14, 330 crores based on reserve price. This is based on auction of 3 blocks of 3G spectrum in 17 service areas and 4 blocks in 5 service areas in addition to one block assigned to Mahanagar Telephone

Nigam Limited (MTNL)/Bharat Sanchar Nigam Limited (BSNL).

The estimated revenue from BWA auction is around Rs.5, 250 crores based on reserve price. This is based on auction of 2 blocks of BWA spectrum in 22 service areas in addition to one block assigned to MTNL/BSNL

(e) to (g) There have been some issues about availability of 3G spectrum for auction in different service areas causing delay in finalizing number of 3G slots to be auctioned. The EGoM has resolved these issues and Government has subsequently issued the NIA.